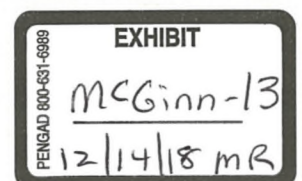


## EXHIBIT 99

**File Provided Natively**

**Confidential**

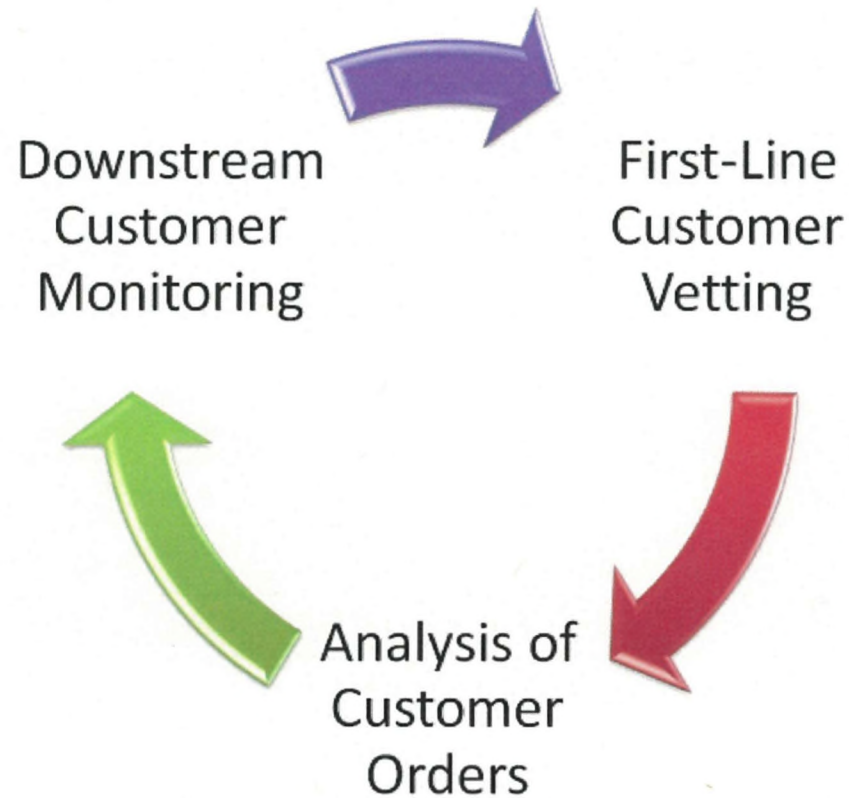


**TEVA\_MDL\_A\_02336504**

# Suspicious Order Monitoring (SOM)

Colleen McGinn

# Complete SOM Solution



# Model Program

## First Line Customer Vetting

- Customer Responsibility Agreement
- Self-Assessment Questionnaire
- Site Visit
  - Photos, compliance review, dispensing records
- D&B Check
- Copies of Licenses and Registrations
- Corporate Structure and identity of employees
- Customer base
- Customer's SOM procedure
- New Customer Approval
  - Scoring system
- Initial purchase parameters
- Close monitoring of purchases for 6 mos. – 1 yr.
- Assign risk score

# Model Program Analysis of Customer Orders

- SORDS
  - Compare by:
    - Order history for 24 months (rolling)
    - Frequency of orders
    - Type of registrant
    - Customer location
    - % controlled vs. non-controlled products ordered
    - States without active Prescription Monitoring Programs (PMPs)
    - RADARS Data
    - Risk Map/REMS data
- “Orders of Interest”
  - Create SOP for handling orders outside of normal parameters
  - Document review
  - Create Oversight Committee
    - Review history of all “Orders of Interest” quarterly
- Suspicious Orders
  - Create SOP for identification and reporting of Suspicious Orders to DEA
  - Review by Oversight Committee
  - Notification to customer

# Model Program

## Downstream Customer Monitoring

- ValueCentric Data
  - First-time purchases
  - Above average sales
  - Multiple wholesaler activity
  - Disproportionate sales
- Chargeback Data
  - Reimbursed difference between the Wholesalers Actual Cost (WAC) and the contracted price paid by the indirect customer purchased from a wholesaler.
  - May also include: negative charge backs for product returns, administrative and service fees, and chargeback adjustments.
  - Data can be used to follow product through supply chain
- NOT AVAILABLE FOR ALL PRODUCTS
  - Actiq, Fentora (Checking with Chris Heckler)



# Gap Assessment

| Activity                       | Current SOM Program   | Model SOM Program   |
|--------------------------------|---|---|
| First-Line<br>Customer Vetting | <ul style="list-style-type: none"> <li>• Bank References</li> <li>• Dunn and Bradstreet Report</li> </ul> | Current measures PLUS: <ul style="list-style-type: none"> <li>• On-site customer visit for:               <ul style="list-style-type: none"> <li>• Level of DEA Compliance</li> <li>• Thorough understanding of customer's operation</li> <li>• Pictures, if permitted</li> </ul> </li> <li>• Customer Responsibility Agreement</li> <li>• Customer Self-Assessment Questionnaire</li> <li>• Risk Score Assignment</li> <li>• Create method for reporting unusual transactions</li> </ul> |
|                                | Frequency: Once   | Frequency: Initial Setup<br>Risk Based  |



# Gap Assessment

| Activity | Current SOM Program   | Model SOM Program  |
|----------|---|--|
| SORDS    | <ul style="list-style-type: none"> <li>• Validation of customer's DEA registration</li> <li>• Verify normal ordering pattern based on historical data (24 mos.) by product class</li> </ul> | <ul style="list-style-type: none"> <li>• Orders of unusual size, frequency or deviating from normal pattern</li> <li>• Comparison of order with registrants of same type</li> <li>• Customer location</li> <li>• Risk Map/REMS data</li> <li>• Breadth and type of products ordered.</li> <li>• Orders of Interest Investigations               <ul style="list-style-type: none"> <li>• Proceduralize process</li> <li>• Review by Oversight Committee</li> </ul> </li> </ul> |
|          | Frequency:<br>With every CS order<br>Review of upper control limits every 6 mos.  | Frequency:<br>With every order<br>Review of upper control limits every 6 mos.<br>Oversight review every quarter  |

# Gap Assessment

| Activity                      | Current SOM Program | Model SOM Program   |
|-------------------------------|---------------------|---|
| Know Your Customer's Customer | N/A                 | <ul style="list-style-type: none"><li>• Use Value Centric and chargeback data to evaluate risk.</li></ul> |
|                               | Frequency: N/A      | Frequency: Quarterly  |

# Project Setup Costs

| Contracted Costs          |                   | In-House Costs               |                   |
|---------------------------|-------------------|------------------------------|-------------------|
| One Time Setup:           | \$ 5,000          | Program Setup by Consultant: |                   |
| Site Visits:              |                   | One Time Charge              | \$ 5,000          |
| (222 sites x \$3795/ea.)  | \$ 842,490        | 40 Site Visits (\$3795/ea)   | \$ 151,800        |
| Travel:                   |                   | Hire 2 FTEs                  | \$ 150,000 (?)    |
| (222 sites x \$1,000/ea.) | <u>\$ 222,000</u> | Travel:                      |                   |
|                           | \$ 1,069,490      | (222 sites x \$1,000/ea.)    | <u>\$ 222,000</u> |
|                           |                   |                              | \$ 528,800        |

|                   |                   |
|-------------------|-------------------|
| Contracted Costs  | \$1,069,490       |
| In-House Costs    | <u>\$ 528,800</u> |
| Potential Savings | \$ 540,690 (?)    |

## Next Steps

1. Develop SOM Implementation Task Force
  - Include representatives from:
    - Diversion Operations
    - Legal
    - Commercial Sales
    - IT
    - Customer Service
  - Goal: To identify key contacts for timely implementation of the program



## Next Steps

### 2. Program Launch by 3<sup>rd</sup> Party

- Mobilize SOM Task Force and 3<sup>rd</sup> Party to develop program architecture
  - Create SOPs for customer approval, risk assessment, handling “Orders of Interest” and Suspicious Orders
  - Conduct 40 customer visits accompanied by Diversion Operations
- Goal: To develop robust SOM program.

## Next Steps

### 3. Hire 2 Diversion Investigators

- Analyze customer order data
- Review “Orders of Interest”
- Conduct customer site visits
- Review SORDS upper control limits
  
- Goal: To maintain a robust, in-house SOM program.



## Next Steps

4. Conduct Periodic audits of SOM system
  - Internal audit of suspicious orders, compliance procedures and results
  - Reviews/Revision of SOPs and employee training
  - Review of SORDS design and thresholds
  - Goal: To adapt the SOM process with changing needs.

# SOM Development Process

